PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



March 6, 2018

GI-2017-10-SCG-61-02C

Jimmie Cho, Senior Vice President Gas Operations and System Integrity Southern California Gas Company 555 West 5th Street, GT21C3 Los Angeles, CA 90013

SUBJECT: General Order (G.O.) 112¹ Inspection of Southern California Gas Company's Desert Valley Region

Dear Mr. Cho:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a General Order 112¹ inspection of Southern California Gas Company's (SoCalGas) Desert Valley Region (Inspection Unit) on October 23 through 27, 2017. The inspection included a review of the Inspection Unit's Patrolling, Leakage Survey, and Odorant records for calendar years 2013 through 2016 and field inspections of pipeline facilities in the Palm Desert, El Centro/Blythe and Yucca Valley Districts. SED staff also reviewed the Inspection Unit's Operator Qualification records, which included field observation of randomly selected individuals performing covered tasks.

SED staff identified a probable violation of G.O. 112-F, Reference Title 49 Code of Federal Regulations (CFR), Part 192. SED also noted six observations as described in the attached "Summary of Inspection Findings".

Within 30 days of your receipt of this letter, please provide a written response indicating the measures taken by SoCalGas to address the violations and observations noted in the Summary of Inspection Findings. If you have any questions, please contact Shuai "James" Zhang at (415) 603-1310 or by email at james.zhang@cpuc.ca.gov.

Sincerely,

Kenneth Bruno Program Manager

Kurette A.B

Gas Safety and Reliability Branch

Safety and Enforcement Division

cc: Troy Bauer, SoCalGas/Pipeline Safety & Compliance

Aimee Cauguiran, SED

Kan Wai Tong, SED Kelly Dolcini, SED

¹ General Order 112-F was adopted by the Commission on June 25, 2015 via Decision 15-06-044.

Summary of Inspection Findings

I. Probable Violations

1. Title 49 CFR § 192.723(b)(1) states:

"A leak survey with leak detector equipment must be conducted in business districts, including tests of the atmosphere in gas, electric, telephone, sewer, and water system manholes, at cracks in pavement and sidewalks, and at other locations providing an opportunity for finding gas leaks, at intervals not exceeding 15 months, but at least once each calendar year."

During SED's records review of Compliance Leak Survey (1 year), SED found that SoCalGas had not conducted a leak survey aforementioned at least once each calendar year, but not exceeding 15 months, in the following instances:

 Table 1: SoCalGas Desert Valley Compliance Leak Survey (1 year)

SAP ID	District	Atlas	Type	Previous leak survey date mm/dd/yy	Next leak survey date mm/dd/yy	Days late
GD.INL.PMD.MP.GI0023B12	Palm Desert	GI 23 B12	1 year	05/01/15	08/10/16	10
GD.INL.PMD.MP.GI0004E18	Palm Desert	GI 04 E18	1 year	07/01/14	01/22/16	112

Therefore, SoCalGas is in violation of Title 49 CFR, §192.723(b)(1).

II. Areas of Concerns/Observations/Recommendations

During SED's field visits, SED made the following observations:

- 1. A new leak was observed at the MSA fitting at 74050 Scholor Lane West, Palm Desert
- 2. A new leak was observed in a valve box at 909 First St., Calexico
- 3. Two meters were found in contact with the ground at 35450 Mexico Way, Thousand Palms
- 4. Atmospheric corrosion was observed on the meter set at 71990 Sunnyslope Drive, Twentynine Palms
- 5. The regulator vent is within 3 feet of the window at 72008 Sunnyslope Drive, Twentynine Palms

6. The regulator vent is within 3 feet of the house air ventilation inlet/outlet at 6045 Cahuilla Ave, Twentynine Palms

As of 11/13/2017, SoCalGas has addressed all of the observations above and provided SED with the records of corrective actions. There are no further actions required from SoCalGas at this time. This serves as a record of SED's observation.